


DECEMBER 8, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON DECEMBER 8, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON DECEMBER 8, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 8; SURFACE ACTIONS AS LISTED ON PAGES 8 TO 25; DEVELOPMENT ACTIONS AS LISTED ON PAGES 26 TO 29; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGES 30 TO 35; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 35 TO 36.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON MONDAY, DECEMBER 22, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

APPROVAL OF COMBINED LIMESTONE AND SAND & GRAVEL MINERALS LEASE – ML 51502-OBA

On November 18, 2008, pursuant to Utah Code Annotated, Subsection 53C-2-401(1)(d)(ii), which authorizes the Trust Lands Administration to enter into agreements and other business arrangements for disposal of Trust mineral resources, the Board of the Trust Lands Administration authorized issuance of the above-referenced combined Limestone and Sand & Gravel Minerals Lease to Great Salt Lake Minerals Corporation. The terms of the lease are as follows:

- The lease will combine both Limestone, as defined under Utah Administrative Code R850-25-100(2)(a), and common Sand & Gravel.
- The lease will include limestone rock whether pit-run, quarried, dimensioned, or crushed; and, ordinary sand & gravel whether pit-run, crushed, screened, or sized.
- The term of the lease will be for ten (10) years. Lease continuance beyond the 10 year primary term is subject to Lessee's compliance with the other provisions of the Lease so long as leased substances are being produced in paying quantities from the leased premises, or from lands constituting a mining unit as approved by Lessor in its reasonable discretion. For purposes of this lease, production of leased substances in paying quantities shall mean the mining and sale of the leased substances during the lease-year in an amount sufficient to cover all operating expenses accrued to the lessee pursuant to the leasehold for that lease year, including the payment of all taxes and the payment of rentals and royalties accrued to the Lessor.
- Annual rental will be \$3 per acre times 1040 acres = \$3120 per annum. The rental payment may be credited against production royalties only as they accrue for that lease year. The Lessee may not credit rentals paid for one lease year against production royalties accrued in another lease year.
- Minimum Royalty: Commencing in the first year of the lease, the Lessee will be required to pay an annual advanced minimum royalty of THREE (3) times the annual rental = \$9360 per annum. Lessee may credit each lease-year's minimum royalty payment against actual production royalties accrued during that lease year, but such credit shall not carry over beyond the lease year in which the advance royalty was paid.
- Production royalties will be the greater of either TEN percent (10%) of the Gross Value, f.o.b. the mine, of the leased substances sold under an arm's length transaction, bona fide contract of sale, or, **40 cents per short ton** for each gross ton of unprocessed Limestone or Sand & Gravel produced and removed from the leased premises after the effective date of this lease. Royalty rate shall be adjusted each year based on the U.S. Department of Labor's Producer Price Index-Commodities; Series Id: WPUSOP3000 using Annual Index values.

ML 51502-OBA

Great Salt Lake Minerals Corp
P.O. Box 1190
Ogden, UT 84402

T6N, R9W, SLB&M.

SEC. 29: S½, S½N½
SEC. 30: SE¼, S½NE¼
SEC. 32: N½

Box Elder County
1040.00 acres

FUND: SCH

Upon recommendation of Mr. Harden, and with the authorization of the Board of Trustees of the School and Institutional Trust Lands Administration, the Director approved the issuance of Combined Limestone and Sand & Gravel Minerals Lease ML 51502-OBA.

EXPIRATION OF MINERAL LEASES

The following mineral leases have reached the end of their primary term on November 30, 2008, without achieving commercial production or diligent development and are expired. The lessee no longer has any rights granted under the leases. The lands are open and available for the issuance of new leases or other business arrangements for the expired commodities, either through competitive bid offering or contract negotiations.

<u>ML 48110 (Clay Minerals)</u>	<u>T6S, R3W, SLB&M</u>	Tooele
Pabco Building Products LLC	SEC. 32: LOTS 1, 2, 4, 7, 9, 10	190.63 acres
d.b.a. Interstate Brick Co.		
9780 So. 5200 W.		
West Jordan, UT 84088		

FUND: SCH

<u>ML 48111 (Clay Minerals)</u>	<u>T8S, R1W, SLB&M</u>	Utah
Pabco Building Products LLC	SEC. 6: LOTS 28, 31	74.49 acres
d.b.a. Interstate Brick Co.		
9780 So. 5200 W.		
West Jordan, UT 84088		

FUND: SCH

<u>ML 48112 (Volcanic Material)</u>	<u>T8S, R1W, SLB&M</u>	Utah
Pabco Building Products LLC	SEC. 6: LOTS 28, 31	74.49 acres
d.b.a. Interstate Brick Co.		
9780 So. 5200 W.		
West Jordan, UT 84088		

FUND: SCH

This item is submitted by Mr. Blake for record-keeping purposes only.

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 18.75% interest in and to the leases listed below to Mustang Fuel Corporation, 13439 Broadway Extension, Oklahoma City, OK 73114-2202, by Chicago Energy Associates, LLC. No override, but subject to overriding royalties as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

***CHICAGO ENERGY ASSOCIATES, LLC – 75%,
CABOT OIL AND GAS CORPORATION – 25%***

OWNERSHIP AFTER ASSIGNMENT:***RECORD TITLE:***

***CHICAGO ENERGY ASSOCIATES, LLC - 56.25%,
CABOT OIL AND GAS CORPORATION – 25%,
MUSTANG FUEL CORPORATION – 18.75%***

...ML 49058 (SCH)...ML 49064 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 18.75% interest in and to the leases listed below to Liberty Energy, LLC, 175 Berkeley St., Mail Stop 18K, Boston, MA 02116, by Chicago Energy Associates, LLC. No override, but subject to overriding royalties as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

***CHICAGO ENERGY ASSOCIATES, LLC – 56.25%,
CABOT OIL AND GAS CORPORATION – 25%
MUSTANG FUEL CORPORATION – 18.75%***

OWNERSHIP AFTER ASSIGNMENT:***RECORD TITLE:***

***CHICAGO ENERGY ASSOCIATES, LLC - 37.50%,
CABOT OIL AND GAS CORPORATION – 25%,
MUSTANG FUEL CORPORATION – 18.75%,
LIBERTY ENERGY, LLC – 18.75%***

....ML 49058 (SCH)....ML 49064 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in and to the leases listed below to Beach Petroleum LLC, 27981 Main O War Trail, Evergreen, CO 80439, by Eternal Energy Corp. No override, but subject to 5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

***ROADRUNNER OIL & GAS (USA) INC. – 50%,
RICHARD L. FINDLEY – 25%,
ETERNAL ENERGY CORP. – 25%***

OWNERSHIP AFTER ASSIGNMENT:***RECORD TITLE:***

***ROADRUNNER OIL & GAS (USA) INC. – 50%,
RICHARD L. FINDLEY – 25%,
BEACH PETROLEUM LLC – 25%***

....ML 49673(SCH)....ML 51137 (SCH)....ML 51250 (SCH)....ML 51251 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 24% interest in part of lands: NE¹/₄, S¹/₂ Sec. 32, T14S, R19E, SLB&M., 480.00 acres, in and to the lease listed below to Ute Energy, LLC, P.O. Box 789, Fort Duchesne, UT 84026, by Questar Exploration and Production Company. No override, but subject to 8.75% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%***

OWNERSHIP AFTER ASSIGNMENT:***RECORD TITLE:***

***T14S, R19E, SLB&M. 160.00 ACRES
SEC. 32: NW¹/₄***

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%***

***T14S, R19E, SLB&M. 480.00 ACRES
SEC. 32: NE¹/₄, S¹/₂***

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 76%,
UTE ENERGY, LLC – 24%***

....ML 47973 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 24% interest in part of lands: NE¹/₄, S¹/₂ Sec. 32, T14S, R19E, SLB&M., 480.00 acres, in and to the lease listed below to Ute Energy Upstream Holdings, P.O. Box 789, Fort Duchesne, UT 84026, by Ute Energy, LLC. No override, but subject to 8.75% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

T14S, R19E, SLB&M. 160.00 ACRES

SEC. 32: NW¹/₄

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

T14S, R19E, SLB&M. 480.00 ACRES

SEC. 32: NE¹/₄, S¹/₂

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 76%,
UTE ENERGY, LLC – 24%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T14S, R19E, SLB&M. 160.00 ACRES

SEC. 32: NW¹/₄

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

T14S, R19E, SLB&M. 480.00 ACRES

SEC. 32: NE¹/₄, S¹/₂

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 76%,
UTE ENERGY UPSTREAM HOLDINGS – 24%

....ML 47973 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 24% interest in part of lands: NE¹/₄, S¹/₂ Sec. 16; All Sec. 32; All Sec. 36, T15S, R19E, SLB&M., 1760.00 acres, in and to the lease listed below to Ute Energy, LLC, P.O. Box 789, Fort Duchesne, UT 84026, by Questar Exploration and Production Company No override, but subject to 8.75% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

**QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T15S, R19E, SLB&M. 160.00 ACRES

SEC. 16: NW¹/₄

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

T15S, R19E, SLB&M. 1760.00 ACRES

SEC. 16: NE¹/₄, S¹/₂

SEC. 32: ALL

SEC. 36: ALL

**QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 76%,
UTE ENERGY, LLC – 24%**

....ML 47974 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 24% interest in part of lands: NE $\frac{1}{4}$, S $\frac{1}{2}$ Sec. 16; All Sec. 32; All Sec. 36, T15S, R19E, SLB&M., 1760.00 acres, in and to the lease listed below to Ute Energy Upstream Holdings, P.O. Box 789, Fort Duchesne, UT 84026, by Ute Energy, LLC. No override, but subject to 8.75% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

T15S, R19E, SLB&M. 160.00 ACRES

SEC. 16: NW $\frac{1}{4}$

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

T15S, R19E, SLB&M. 1760.00 ACRES

SEC. 16: NE $\frac{1}{4}$, S $\frac{1}{2}$

SEC. 32: ALL

SEC. 36: ALL

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 76%,
UTE ENERGY, LLC – 24%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T15S, R19E, SLB&M. 160.00 ACRES

SEC. 16: NW $\frac{1}{4}$

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

T15S, R19E, SLB&M. 1760.00 ACRES

SEC. 16: NE $\frac{1}{4}$, S $\frac{1}{2}$

SEC. 32: ALL

SEC. 36: ALL

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 76%,
UTE ENERGY UPSTREAM HOLDINGS – 24%

....ML 47974 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 2.4375% interest in operating rights in producing formations in and to the leases listed below to Encana Oil & Gas (USA) Inc., 370 17th Street, Suite 1700, Denver, CO 80202, by Brian M. Gordon. No override, but subject to overriding royalty as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

ENCANA OIL & GAS (USA) INC. – 100%

OPERATING RIGHTS: PRODUCING FORMATIONS

ENCANA OIL & GAS (USA) INC. – 95.125%,

BRIAN M. GORDON – 2.4375%,

MARLA SUE GORDON (AKA THE CHESTER
GORDON ESTATE) – 2.4375%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

ENCANA OIL & GAS (USA) INC. – 100%

OPERATING RIGHTS: PRODUCING FORMATIONS

ENCANA OIL & GAS (USA) INC. – 97.5625%,

MARLA SUE GORDON (AKA THE CHESTER
GORDON ESTATE) – 2.4375%

....ML 8366 (SCH)....ML 13692 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 2.4375% interest in operating rights in producing formations in and to the leases listed below to Encana Oil & Gas (USA) Inc., 370 17th Street, Suite 1700, Denver, CO 80202, by Marla Sue Gordon. No override, but subject to overriding royalty as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

ENCANA OIL & GAS (USA) INC. – 100%

OPERATING RIGHTS: PRODUCING FORMATIONS

ENCANA OIL & GAS (USA) INC. – 97.5625%,

***MARLA SUE GORDON (AKA THE CHESTER
GORDON ESTATE) – 2.4375%*****OWNERSHIP AFTER ASSIGNMENT:*****RECORD TITLE:***

ENCANA OIL & GAS (USA) INC. – 100%

OPERATING RIGHTS: PRODUCING FORMATIONS***ENCANA OIL & GAS (USA) INC. – 100%***

....ML 8366 (SCH)....ML 13692 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 2.4375% interest in operating rights in non-producing formations in and to the leases listed below to Encana Oil & Gas (USA) Inc., 370 17th Street, Suite 1700, Denver, CO 80202, by Marla Sue Gordon, who reserves 1.75% overriding royalty, in addition to overriding royalty as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

ENCANA OIL & GAS (USA) INC. – 100%

***OPERATING RIGHTS: NON-PRODUCING
FORMATIONS***

ENCANA OIL & GAS (USA) INC. – 95.125%

BRIAN M. GORDON – 2.4375%,

***MARLA SUE GORDON (AKA THE CHESTER
GORDON ESTATE) – 2.4375%*****OWNERSHIP AFTER ASSIGNMENT:*****RECORD TITLE:***

ENCANA OIL & GAS (USA) INC. – 100%

***OPERATING RIGHTS: NON-PRODUCING
FORMATIONS******ENCANA OIL & GAS (USA) INC. – 97.5625%***

BRIAN M. GORDON – 2.4375%

....ML 8366 (SCH).... ML 13692 (SCH)

REFUND OF OVERPAYMENT OF FILING FEES – ML 48060, AND ML 48127 – OIL, GAS, AND HYDROCARBON (SCH)

This office has received an overriding royalty assignment covering two Oil, Gas, and Hydrocarbon leases to Jerry J. Jensen, by Edward F. Bates, “Trustee” (The Overriding Royalty Trust), 455 South 300 East, #200, Salt Lake City, UT 84111. Along with assignments covering the above-numbered leases, several assignments were submitted on leases that have expired. Mr. Bates submitted fees in the amount of \$330 to cover the filing fees. The required filing fees were only \$100, therefore, **a refund in the amount of \$230 should be made to Mr. Bates.** (Receipted under ML 48060.)

Upon recommendation of Ms. Garrison, the Director approved the above-listed refund of filing fees.

OVER-THE-COUNTER OIL, GAS, AND ASSOCIATED HYDROCARBONS LEASE APPLICATION – APPROVED

Upon recommendation of Mr. Bonner, the Director approved the Over-the-Counter Oil, Gas, and Associated Hydrocarbons lease application listed below at a rental of \$2 per acre per annum; royalty as provided in the lease form approved by the Director. The application has been checked by the Minerals Section and found to be in order. The land status has been examined and the lands found to be open and available.

Mineral Lease Appl. No. 51566

Beeman Oil & Gas LLC

91 Wedgewood Circle

Durango, CO 81301

T18S, R24E, SLB&M.

SEC. 2: LOTS 1(40.05), 2(40.00), 3(39.94), 4(39.89), 639.88 acres

S½N½, S½ [ALL]

Grand

Application Date: November 25, 2008

FUND: SCH

TERMINATION OF THE HJORTH CANYON UNIT (SCH)

The State of Utah School and Institutional Trust Lands Administration Office has been furnished with evidence that the Hjorth Canyon Unit was voluntarily terminated by request of Anschutz Exploration Corporation, Operator of the Unit. The Bureau of Land Management has accepted the request with an approved effective date of November 12, 2008, pursuant to the last paragraph of Section 20 of the Unit Agreement.

The records of the following leases should be noted as being terminated from the unit:

LEASE NO.

LESSEE

ML 47553

Ansbro Petroleum Company

ML 47785

Ansbro Petroleum Company

ML 48770

Ansbro Petroleum Company

Leases ML 47553 and ML 47785 are not held by any producing well(s) and, therefore, these leases will receive a two-year extension from the unit termination date with a lease expiration date of November 12, 2010. ML 48770 will expire by its own lease term expiration date of September 1, 2011.

This item was submitted by Ms. Wells for record-keeping purposes only.

APPROVAL OF THE HORN UNIT (SCH)

EnCana Oil & Gas (USA) Inc., Operator of the Horn Unit, has furnished the State of Utah School and Institutional Trust Lands Administration Office with evidence that the unit was approved by the Bureau of Land Management on August 14, 2008, with the same effective date.

The following lease should be noted as being committed to the Horn Unit with all formations unitized:

LEASE #**LESSEE**

ML 48108

Encana Oil & Gas (USA) Inc.

The item was submitted by Ms. Wells for record-keeping purposes only.

S U R F A C E A C T I O N S

GRAZING PERMITS**GRAZING PERMIT NO. 23280 (APPROVAL)**

Wilson Brothers Livestock
c/o Don Wilson
260 W. Center
P.O. Box 821
Salem, UT 84653

1,318.71 Acres 108 AUMs School Fund Juab County

Township 12 South, Range 3 West

Sec. 20: E½, SW¼, E½NW¼

Sec. 21: W½W½NW¼

Sec. 29: W½NW¼NE¼, NW¼, W½SW¼, W½ of Lot 2

Sec. 30: Lots 1-4, S½NE¼, SE¼NW¼, E½SW¼, SE¼

First year's rental: \$410.40

Weed fee: \$10.80

Application fee: \$50.00

The term of this permit begins July 1, 2008, and expires June 30, 2023. The season of use is March 20 through April 30 for sheep. Shearing Allotment.

Upon recommendation of Mr. Scott Chamberlain, the Director approved Grazing Permit No. 23280.

GRAZING PERMIT NO. 23160 (RESCISSION OF CANCELLATION)

Grazing Permit No. 23160 is issued to Jeff Roche, 19205 North 6000 West, Garland, UT 84312. GP 23160 was canceled for non-payment on September 8, 2008. The permittee submitted the grazing rental of \$355.96, the weed fee of \$9.34, the reinstatement fee of \$30.00, and the \$30.00 late fee on August 26, 2008. As the payment was received prior to the cancellation date, the cancellation should be rescinded. Juab County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director rescinded the cancellation of GP 23160.

GRAZING PERMIT NO. 22046-02 (ASSIGNMENT)

Edwin O. Larson, P.O. Box 39, Cedar City, UT 84721, has requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to Brad Guymon, 396 N. 500 W., Cedar City, UT 84721. The assignment fee in the amount of \$128.00 has been submitted. Kane County. Normal School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 22046-02.

RANGE IMPROVEMENT PROJECTS**RANGE IMPROVEMENT PROJECT NO. 336 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Division of Wildlife Resources
1594 W. North Temple
Salt Lake City, UT 84116

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:**T15.5S, R22E, SLB&M**

Section 35: (Within)

Section 36: E½ (Within)

T15.5S, R23E, SLB&M

Section 31: W½ (Within)

T16S, R22E, SLB&M

Section 1: NE¼ (Within)

T16S, R23E, SLB&M

Section 5: W½, S½ (Within)

Section 6: (Within)

Section 7: E½ (Within)

Section 8: (Within)

Section 9: W½ (Within)

Section 16: NW¼ (Within)

Section 17: SW¼, N½ (Within)

Section 18: E½ (Within)

COUNTY: Grand

FUND: School

ACRES: ~2,000

RANGE IMPROVEMENT PROJECT NO. 336 (APPROVAL) (CONTINUED)**REQUESTED/PROPOSED ACTION:**

The applicant proposes to lop and scatter approximately 2,000 acres of pinyon and juniper which has encroached into various sagebrush openings. Cutting and scattering will all be done by hand. No vehicles will be used. No ground disturbance is anticipated. Slash will be lopped to less than 3 feet in height.

RELEVANT FACTUAL BACKGROUND:

The applicant submitted a proposal for this range improvement project on August 4, 2008. The proposal was submitted for review by the Resource Development Coordinating Committee ("RDCC") on August 26, 2006. RDCC responded that, "[t]he State Planning Coordinator's Office has reviewed this proposal and has not received any comments..." The Southeastern Utah Association of Local Governments sent a letter stating that they had no comments.

A search of Agency records was made to determine the status of the area involved. The grazing permits of record are GP 21202-00 and 22777-00, both in the name of Bert DeLambert. The permittee is in support of the project. There are eight mineral leases and three easements within the project area; however, due to the nature of the project, these will not be affected.

The project cost on trust lands is valued at \$50,000 (\$25.00/ acre). Because the applicant is not the permittee of record, the project will not be eligible for amortization. Note: The life of the project (the benefit) is 15 years.

EVALUATION OF THE FACTS:

This range improvement is in compliance with R850-50-1100(5)(a) and (b). The project does enhance the value of the resources pursuant to R850-50-1100(5)(c).

Upon recommendation of Mr. Scott Chamberlain, the Director approved Range Improvement Project No. 336. This summary will constitute the Record of Decision.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5223 (APPROVAL)**

The School and Institutional Trust Lands Administration has received an application from Questar Exploration and Production Company, 1010 17th Street, Ste 500, Denver, CO 80265, to occupy the following described trust land located within Uintah County, for a 3-D Flat Rock seismic survey:

T13S, R20E, SLB&M

Section 16: S½ (within)

T14S, R20E, SLB&M

Section 2: All

Contains 959.91 acres, more or less.

The project consists of approximately 42.2 square miles. There will be approximately 1.5 square miles of source lines involving Trust Lands Administration property, approximately 18.5 square miles of BLM property, approximately 20.8 square miles of tribal lands, and approximately 1.5 square miles of private lands. The project will be using buggy and heliportable drills.

RIGHT OF ENTRY NO. 5223 (APPROVAL) (CONTINUED)

An archaeological survey was done by Western Land Services (U-08-LW-0609b,i,s,p). One non-significant historic site, 42Un7120, was located on trust land. The State Historic Preservation Office ("SHPO") concurred with a recommendation of "No Historic Properties Affected" in a letter dated November 19, 2008.

A paleontological survey was performed by Gustav F. Winterfeld, PhD and the staff of Erathem-Vanir Geological (report submitted and dated October 3, 2008). No fossils were found during the survey. Recommendation: No additional mitigation is required for this project. However, if fossils of known or suspected scientific significance are encountered or uncovered during seismic operations, the operator should contact a qualified paleontologist to evaluate the discovery.

The fee for this right of entry is \$5,400.00, plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$5,500.00. Uintah County. School Fund. The term is one year, commencing December 8, 2008, and expiring December 7, 2009.

Upon recommendation of Mr. Kurt Higgins, the Director approved Right of Entry No. 5223 for a one-year term.

RIGHT OF ENTRY NO. 5267 (APPROVAL)

On November 18, 2008, the School and Institutional Trust Lands Administration received an application from Royale Energy, Inc., 7676 Hazard Center Drive, San Diego, CA 92108, to occupy the following described trust land located within Grand County for a temporary access road to the Moon Canyon #3 Well located on federal land for a one-year term:

T16S, R21E, SLB&M
Sec's 23, 26: Within

This application replaces ROE 5023 which expired May 31, 2008. The Resource Development Coordinating Committee ("RDCC") review was initiated on April 17, 2007, under ROE 5023. Both the Division of Air Quality and the Division of Wildlife Resources responded and a copy of their comments was mailed to the applicant with a recommendation that the suggestion from the Division of Wildlife Resources be followed. A cultural resource survey was completed with a finding of "no effect." This survey was reviewed by the Trust Lands Administration's staff archaeologists, who concur with the findings.

The fee for this right of entry is \$2,000.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$2,100.00. Grand County. School Fund. Beginning date: June 1, 2008. Expiration date: May 31, 2009.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5267 for a one-year term.

EASEMENTS**EASEMENT NO. 1257 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Westside Grading
51 South 200 East
P.O. Box 549
Delta, Utah 84624

LEGAL DESCRIPTION:

Township 16 South, Range 5 West, SLB&M
Section 36: W $\frac{1}{2}$ NW $\frac{1}{4}$ (within)

Beginning at the west one quarter corner of Section 36, T16S, R5W, SLB&M, thence North 00°48'01" East 2283.70 feet along the section line to a point of curve to the right with a radius of 150.00 feet; thence northeasterly along said curve thru a central angle of 51°52'32" a distance of 135.81 feet (chord bears North 26°44'17" East 131.218 feet); thence North 52°40'33" East 411.00 feet to a point of curve to the right with a radius of 150.00 feet; thence northeasterly along said curve thru a central angle of 38°14'01" a distance of 100.09 feet (chord bears North 71°42'34" East 98.249 feet) to the north boundary of NW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 36; thence South 89°05'26" East 853.85 feet along said north boundary to the north east corner of said NW $\frac{1}{4}$ NW $\frac{1}{4}$; thence South 00°45'46" West 50.00 feet along east boundary of said NW $\frac{1}{4}$ NW $\frac{1}{4}$; thence North 89°05'26" West 853.98 feet to a point of curve to the left with a radius of 100.00 feet; thence southwesterly along said curve thru a central angle of 38°14'01" a distance of 66.73 feet (chord bears South 71°42'34" West 65.499 feet); thence South 52°40'33" West 411.00 feet to a point of curve to the left with a radius of 100.00 feet; thence southwesterly along said curve thru a central angle of 51°52'32" a distance of 66.73 feet (chord bears South 26°44'17" West 87.479 feet); thence South 00°48'01" West 2283.81 feet to the south boundary of SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 36; thence North 89°04'59" West 50.00 feet along said south boundary to the point of beginning.

Containing 4.299 acres, more or less.

COUNTY: Millard

ACRES: 4.299

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain an access road. The access road will be new construction and will provide access to a gravel pit operated by the applicant on adjacent private property. The proposed road will tie into an existing road on the west side of the easement corridor. The proposed easement corridor is 3,745.26 feet long and 50 feet wide, containing 4.299 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on April 17, 2007. No comments were received from RDCC.

The project area has been surveyed for cultural resources by Bighorn Archaeological Consultants (U-08-HO-0092s). No cultural resource sites were identified as a result of this survey. The Trust Lands Administration's staff archaeologist has reviewed this survey and has granted cultural resource clearance for the project with a finding of "No Historic Properties Affected."

EASEMENT NO. 1257 (APPROVAL) (CONTINUED)**EVALUATION OF FACTS:**

1. The proposed easement is located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1257 for a term of 30 years beginning December 1, 2008, and expiring November 30, 2038, with the easement fee being \$3,404.78 plus the \$600.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$500.00.

EASEMENT NO. 1400 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Magnum Holdings, LLC
2150 South 1300 East, Suite 500
Salt Lake City, Utah 84106

LEGAL DESCRIPTION:

Township 15 South, Range 7 West, SLB&M
Section 26: S½SW¼, SW¼SE¼ (within)

A 66 foot wide easement for ingress and egress described as the southerly 66.00 feet of Section 26, Township 15 South, Range 7 West, Salt Lake Base and Meridian, between the westerly line of said Section 26 and County Road 1758 (Jones Road). Length of easement is 3712.50 feet more or less. Contains 5.63 acres more or less.

COUNTY: Millard

ACRES: 5.63

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain an access road. The proposed easement is for an existing access road that provides access from Millard County Road No. 1758 (Jones Road) to private property owned by the applicant. The access road runs along the southern boundary of the Trust Lands' property. The applicant plans to upgrade the existing road by straightening, widening, and gravelling, in order to provide year-round access to its lands. The proposed easement corridor is approximately 3,712.50 feet long and 66 feet wide, containing 5.63 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on July 3, 2008. Comments were received from the Department of Environmental Quality/Division of Air Quality as follows:

EASEMENT NO. 1400 (APPROVAL) (CONTINUED)**Department of Environmental Quality/Division of Air Quality:**

"The proposed road construction project, in Millard County, is subject to R307-205-5: Fugitive Dust, of the Utah Air Quality Rules, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than ¼ acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/publicat/code/r307/r307.htm"

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division of Air Quality are addressed within Paragraph 12 of the easement agreement.

The project area has been surveyed for cultural resources by Earth Touch, Inc. (U-08-EP-0898s). One site (42Md3308), a historic canal, was identified which is eligible for inclusion on the National Register of Historic Places ("NRHP"). The site runs through the proposed easement corridor and cannot be avoided by the undertaking. However, the proposed impacts to the linear site will be minimal and will not affect its historic integrity, nor will it alter the characteristics which make it eligible for nomination to the NRHP. The Trust Lands Administration's staff archaeologist has reviewed the survey and has recommended a finding of "No Adverse Affect." A consultation letter was sent to the State Historic Preservation Office ("SHPO") and no comments were received within the 30 day comment period. Therefore, cultural resource clearance has been granted for this project.

EVALUATION OF FACTS:

1. The proposed easement is located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1400 for a term of 30 years beginning December 1, 2008, and expiring November 30, 2038, with the easement fee being \$3,375.00 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

EASEMENT NO. 1428 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Liberty Pioneer Energy Source
1411 East 840 North
Orem, Utah 84097

LEGAL DESCRIPTION:

Township 21 South, Range 16 East, SLB&M

Section 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

A 30 foot wide easement located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, T21S, R16E, SLB&M, the easement limits being 15 feet on each side of the following described centerline:

Beginning at a point in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, T21S, R16E, SLB&M, which bears N 82°30'43" W 1213.35 feet from the southeast corner of said Section 36, thence S 04°18'04" W 10.48 feet; thence S 01°53'03" E 68.31 feet; thence S 00°50'09" E 80.64 feet to a point on the south line of the SE $\frac{1}{4}$ of said section which is calculated from G.L.O. information to bear S 89°56'28" W 1200.37 feet from the said southeast corner. Basis of bearings is the east line of the said SE $\frac{1}{4}$ which is taken from global positioning satellite observations to bear N 00°00'32" W a measured distance of 5325.78 feet. Contains 0.11 acres more or less.

Township 22 South, Range 17 East, SLB&M

Section 16: N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

A 30 foot wide easement located in the W $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 16, T22S, R17E, SLB&M, the easement limits being 15 feet on each side of the following described centerline:

Beginning at a point on the north line of the NE $\frac{1}{4}$ of Section 16, T22S, R17E, SLB&M, which bears N 89°51'46" E 595.79 feet from the north $\frac{1}{4}$ corner of said section; thence S 29°34'39" W 118.36 feet; thence S 24°01'56" W 49.97 feet; thence S 00°17'31" E 408.00 feet; thence S 00°42'59" W 328.10 feet; thence S 07°00'32" W 221.06 feet; thence S 09°00'53" W 317.64 feet; thence S 10°36'44" W 284.99 feet; thence S 12°46'27" W 313.31 feet to a point in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said section, which bears S 08°58'59" E 2026.88 feet from the said north $\frac{1}{4}$ corner. Basis of bearings is the east line of the NE $\frac{1}{4}$ of said section which is taken from global positioning satellite observations to bear N 00°03'21" W a measured distance of 2631.27 feet. Contains 1.41 acres more or less.

A 30 foot wide easement located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, T22S, R17E, SLB&M, the easement limits being 15 feet on each side of the following described centerline:

Beginning at a point on the east line of the SE $\frac{1}{4}$ of Section 16, T22S, R17E, SLB&M, which bears S 00°01'22" E 381.65 feet from the east $\frac{1}{4}$ corner of said section; thence N 81°35'29" W 149.89 feet; thence N 82°21'18" W 329.27 feet; thence N 78°30'23" W 322.27 feet; thence N 66°12'26" W 214.93 feet; thence N 59°30'23" W 344.92 feet; thence N 48°52'39" W 344.97 feet; thence N 48°09'05" W 387.61 feet; thence N 69°34'46" W 48.52 feet; thence N 77°35'49" W 112.10 feet; thence N 79°34'42" W 76.88 feet; thence N 83°37'31" W 85.80 feet; thence N 79°54'01" W 154.83 feet; thence N 51°31'16" W 44.04 feet; thence N 48°11'16" W 60.00 feet; thence N 51°29'50" W 225.53 feet; thence N 42°02'59" W 100.68 feet; thence N 29°25'32" W 215.45 feet; thence N 45°17'10" W 169.91 feet; thence N 28°43'30" W 70.09 feet; thence N 57°16'15" W 244.57 feet; thence S 87°29'40" W 38.87 feet; thence N 62°25'54" W 106.04 feet; thence N 67°02'32" W 45.16 feet; thence N 85°49'28" W 118.52 feet; thence N 69°21'54" W 185.16 feet; thence N 53°41'37" W 56.21 feet; thence N 57°59'41" W 117.60 feet; thence N 75°19'55" W 80.97 feet; thence N 61°58'41" W 221.82 feet; thence N 45°39'31" W 64.91 feet; thence N 41°38'21" W 177.59 feet; thence N 46°12'22" W 111.70 feet; thence N 36°14'27" W 132.64 feet; thence N 43°46'42" W 185.88 feet; thence N 52°03'59" W 143.51 feet; thence N

EASEMENT NO. 1428 (APPROVAL) (CONTINUED)

45°32'28" W 242.32 feet; thence N 49°13'08" W 220.89 feet to a point on the north line of the NW¼ of said section, which bears S 89°54'17" E 428.01 feet from the northwest corner of said section. Basis of bearings is the east line of the SE¼ of said section which is taken from global positioning satellite observations to bear N 00°01'22" W a measured distance of 2641.54 feet. Contains 4.10 acres more or less.

COUNTY: Grand

ACRES: 5.62

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain an access road. The access road will service the proposed State 2-23, State 16-23, and Federal 23-23 Wells. The proposed easement corridor is 8,152.91 feet long and 30 feet wide, containing 5.62 acres. The term of the easement will be 20 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on August 27, 2008. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Geological Survey, the Southeastern Utah Association of Governments, and the Grand County Council, as follows:

Department of Environmental Quality/Division of Air Quality:

"The project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm."

Utah Geological Survey:

"There are known significant vertebrate fossil localities recorded in our files in or near this project area, and the Jurassic Morrison Formation and Cretaceous Cedar Mountain Formation exposed here have the potential for yielding additional significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

Southeastern Utah Association of Governments:

"Favorable comment recommended."

Grand County Council:

"Please pass along the request to those doing construction on the road that will connect to the County right of way to please get an encroachment permit from the County Road Department. Bill Jackson at the Road Department can be reached at 435-259-5309."

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division of Air Quality are addressed within Paragraph 12 of the easement agreement.

EASEMENT NO. 1428 (APPROVAL) (CONTINUED)

Pursuant to the comments received from the Utah Geological Survey, the proposed easement corridor has been surveyed for paleontological resources by A. H. Hamblin Paleontological Consulting. No significant vertebrate fossils were discovered within the project area; therefore, it was recommended that no paleontological restrictions be placed on the project. If any fossils are discovered during construction, a qualified paleontologist should be notified to evaluate the discovery.

The Trust Lands Administration's staff archaeologist has determined that the project area has been previously surveyed for cultural resources by Western Land Services (U-07-LW-1121b,s), 4-Corners Archaeological Consultants (U-07-FE-1200b,s) and Buys & Associates (U-08-UY-0882b,s). No significant cultural resources sites were identified within the project area; therefore, cultural resource clearance has been given with a finding of "No Historic Properties Affected."

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 20 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1428 for a term of 20 years beginning December 1, 2008, and expiring November 30, 2028, with the easement fee being \$3,705.87 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

EASEMENT NO. 1434 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

XTO Energy, Inc.
978 North Crescent
P.O. Box 1360
Roosevelt, Utah 84066

LEGAL DESCRIPTION:

Township 11 South, Range 19 East, SLB&M
Section 2: Lot 1, W $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ (within)

A 30 foot wide easement, being 15 feet on each side of its centerline, along with an additional 45 foot wide temporary easement for construction purposes. The centerline being more particularly described as follows:

Beginning at a point on the south line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, T11S, R19E, SLB&M, which bears S 89°55'40" E 802.26 feet from the south $\frac{1}{4}$ corner of said Section 2; thence N 10°40'45" W 97.11 feet; thence N 27°21'32" W 369.92 feet; thence N 18°25'51" W 199.01 feet; thence N 13°52'48" E 184.50 feet; thence N 36°00'25" E 180.05 feet; thence N 62°52'10" E 209.68 feet; thence N 35°07'14" E 380.01 feet; thence N

EASEMENT NO. 1434 (APPROVAL) (CONTINUED)

04°38'08" E 171.92 feet; thence N 15°07'49" W 181.16 feet; thence N 61°17'55" W 522.83 feet; thence N 04°19'24" W 223.17 feet; thence N 17°31'41" E 190.91 feet; thence N 46°09'12" E 206.48 feet; thence N 30°50'23" E 189.38 feet; thence N 09°54'42" E 380.27 feet; thence N 18°02'57" E 175.48 feet; thence N 28°43'29" E 114.19 feet; thence N 51°58'40" E 178.83 feet; thence N 65°32'07" E 196.52 feet; thence N 62°00'11" E 186.28 feet; thence N 32°09'32" E 212.67 feet; thence N 43°14'52" E 373.74 feet; thence S 66°38'36" E 26.76 feet to a point in Lot 1 of said Section 2, which bears N 24°49'05" W 1518.26 feet from the east ¼ corner of said Section 2. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 3.547 acres more or less.

COUNTY: Uintah

ACRES: 3.547

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a 12-inch diameter buried natural gas pipeline. The proposed pipeline is known as the Kings Canyon to Algiers Pass Interconnect and will connect two existing pipelines within the Kings Canyon production area. The pipeline will transport both federal and state reserves to sales lines and will be located alongside an existing access road and other existing pipeline corridors. The proposed easement corridor is 5,150.87 feet long and 30 feet wide, containing 3.547 acres. The applicant has also requested an additional 45 foot wide temporary easement for use during the construction phase of the project. The term of the easement will be 20 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on September 18, 2008. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Geological Survey, and the Uintah County Commission as follows:

Department of Environmental Quality/Division of Air Quality:

"This proposal may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>

"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm."

Utah Geological Survey:

"Geologic hazards in the area that may affect the project include Quaternary faults that may present a hazard associated with surface fault rupture and earthquake ground shaking, karst (sinkholes), and landslides (unpublished data by R.B. Colton of the U.S. Geological Survey). Because of the regional scale of the U.S. Geological Survey landslide maps, site-specific studies are needed to determine the presence or absence of landslides. The Utah Geological Survey has general hazards information available at our offices for review."

EASEMENT NO. 1434 (APPROVAL) (CONTINUED)**Uintah County Commission:**

"Thank you for the opportunity to comment on the construction, operation, repair, and maintenance by XTO Energy Inc., of a 12-inch diameter buried natural gas pipeline located in Uintah County. The proposed pipeline is located in T11S, R19E, Sec. 2: Lot 1, S½NE¼, W½SE¼ (within). The proposed pipeline is known as the Kings Canyon to Alger Pass Interconnect and will connect two existing pipeline corridors within the Kings Canyon production area. The pipeline will transport both federal and state reserves to sales [lines] and will be located alongside an existing access road and other existing pipeline corridors. The proposed easement corridor is 5,150.87 feet long and 30 feet wide, containing 3.55 acres. An additional 45 foot wide temporary easement has also been requested by XTO Energy, Inc. for use during the construction phase of the project.

"It is our understanding that the proposed 12" buried natural gas pipeline will be placed outside the County's road right-of-way.

"Uintah County supports this action, keeping ground disturbance, increase in traffic, equipment, dust, and noise emissions during construction, excavation, and installation of the pipeline at a minimum.

"We ask that XTO Energy, Inc. contact Uintah County's Planning & Zoning Department for the necessary county permits. We have no further comment at this time but reserve the right to comment at a later date, if warranted."

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division of Air Quality are addressed within Paragraph 13 of the easement agreement.

The proposed easement corridor has been surveyed for paleontological resources by A. H. Hamblin Paleontological Consulting. No significant vertebrate fossils were discovered within the project area; therefore, it was recommended that no paleontological restrictions be placed on the project. The Trust Lands Administration's staff paleontologist has reviewed this survey and concurs with this recommendation. If any fossils are discovered during construction, a qualified paleontologist should be notified to evaluate the discovery.

The project area has been surveyed for cultural resources by An Independent Archaeologist (U-08-AY-0809b,s). No significant cultural sites were discovered within the project area and a finding of "No Historic Properties Affected" was recommended. The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 20 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

EASEMENT NO. 1434 (APPROVAL) (CONTINUED)

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1434 for a term of 20 years beginning December 1, 2008, and expiring November 30, 2028, with the easement fee being \$5,931.30 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 1622 (GREEN RIVER INDUSTRIAL PARK)**

AGREEMENT NO.:	1622
PROJECT:	Green River Industrial Park
PROJECT MANAGER:	Bryan Torgerson
PROJECT CODE:	GRNRV00000
FUND:	School – 100.00 %
COUNTY:	Emery
DATE OF TRANSACTION:	November 17, 2008
BOARD APPROVED:	May 15, 2008

LESSEE/MEMBER:

Emery County
P.O. Box 629
Castle Dale, Utah 84513

LEGAL DESCRIPTION:

Township 21 South, Range 15 East, SLB&M
Section 2: All (1027.28 Acres)
Section 9: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ (120 Acres)
Section 10: SE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ (80 Acres)
Section 11: N $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ (320 Acres)
Section 12: S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ (280 Acres)
Section 13: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ (80 Acres)

Township 20 South, Range 14 East, SLB&M
Section 36: All (640 Acres)

Containing 2,547.28 acres, more or less.

TOTAL NUMBER OF ACRES BY COUNTY: 2547.28 acres – Emery County

DESCRIPTION OF TRANSACTION:

On November 17, 2008, the Trust Lands Administration entered into a Special Use Lease Agreement with Emery County that allows for the creation of an industrial park near Green River in Emery County.

SPECIAL USE LEASE AGREEMENT NO. 1622 (GREEN RIVER INDUSTRIAL PARK) (CONTINUED)

The Subject Property contains approximately 2,547 acres, more or less. It is located west of the City of Green River, in Emery County, Utah. The property will be leased by Emery County and developed as a full service industrial park. The Subject Property will be conveyed from the Trust Lands Administration in individual lots (referred to as "development lots" in the lease) to either Emery County or a non-profit organization representing the interests of Emery County. These individual lots will then be made available for sale to third parties. The Lease does not constitute a joint venture or partnership between the parties, but allows Emery County to control and develop the property as a full service industrial park. The term of the Agreement will be seven (7) years and, during that time, the County will pay annual rent for the Subject Property in the amount of Ten Thousand Dollars (\$10,000.00) per year. The County may enter into option contracts with proposed purchasers if the term is less than the term of the lease and if the Trust Lands Administration gives its prior written consent. Fifty percent (50%) of the option fee may be applied as a credit toward the purchase price.

The purchase price for development lots will be the greater of: (1) The price set forth in the schedule of minimum lot prices that was agreed to by the parties at the time of the agreement; or (2) 111% of appraised value of the development lot at the time of sale. The Trust Lands Administration will rebate to the County ten percent (10%) of the purchase price of each development lot to be used for future project costs. The remainder of the sales proceeds will be paid directly to the Trust Lands Administration.

Upon recommendation of Bryan Torgerson, the Director approved the agreement.

SPECIAL USE LEASE NO. 1609 (WITHDRAWAL OF APPLICATION)

On September 15, 2008, Trust Lands Administration received a Special Use Lease Application from Mike Kevitch, 1144 Griffin Rd., Lakeland, FL 33805, for a FedEx National LTL relay yard. On November 25, 2008, the applicant requested withdrawal of this application, as he has chosen to pursue other land and is no longer interested in this property. No fees were paid. Duchesne County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved withdrawal of SULA 1609.

SPECIAL USE LEASE AGREEMENT NO. 1292 (ASSIGNMENT)

NTCH-Colorado, Inc., DBA Clear Talk, 1600 Ute Avenue, Suite 10, Grand Junction, Colorado 81501, has requested that 100% of the interest in the above-referenced special use lease agreement be assigned to SBA Towers II, LLC, a Florida Limited Liability Company, 5900 Broken Sound Parkway, NW, Boca Raton, Florida 33487, which is a registered agent to do business in the State of Utah.

The lessee has submitted the required \$250.00 lease assignment fee along with the signed and notarized assignment forms.

All other requirements of R850-30-900 have been reviewed. Pursuant to R850-30-900(5)(a), staff reviewed the current lease form. Although the lease form issued in 2001 is still considered generally acceptable and includes provisions for insurance and bonding which will be required of the new lessee, staff and legal counsel determined that the language regarding subleasing rentals should be amended. The amendment will be addressed in a separate action (see items under Fee Waivers). Approval of both the assignment action and the lease amendment action are dependent upon each other.

County: Grand Fund: School

Upon recommendation of Mr. Gary Bagley, the Director approved the assignment of SULA 1292, subject to the concurrent approval of Amendment No. 1 to the lease.

SPECIAL USE LEASE AGREEMENT NO. 1293 (ASSIGNMENT)

NTCH-Colorado, Inc., DBA Clear Talk, 1600 Ute Avenue, Suite 10, Grand Junction, Colorado 81501, has requested that 100% of the interest in the above-referenced special use lease agreement be assigned to SBA Towers II, LLC, a Florida Limited Liability Company, 5900 Broken Sound Parkway, NW, Boca Raton, Florida 33487, which is a registered agent to do business in the State of Utah.

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All other requirements of R850-30-900 have been reviewed. Pursuant to R850-30-900(5)(a), staff reviewed the current lease form. Although the lease form issued in 2001 is still considered generally acceptable and includes provisions for insurance and bonding which will be required of the new lessee, staff and legal counsel determined that the language regarding subleasing rentals should be amended. The amendment will be addressed in a separate action (see items under Fee Waivers). Approval of both the assignment action and the lease amendment action are dependent upon each other.

County: Grand Fund: School

Upon recommendation of Mr. Gary Bagley, the Director approved the assignment of SULA 1293, subject to the concurrent approval of Amendment No. 1 to the lease.

SPECIAL USE LEASE AGREEMENT NO. 1294 (ASSIGNMENT)

NTCH-Colorado, Inc., DBA Clear Talk, 1600 Ute Avenue, Suite 10, Grand Junction, Colorado 81501, has requested that 100% of the interest in the above-referenced special use lease agreement be assigned to SBA Towers II, LLC, a Florida Limited Liability Company, 5900 Broken Sound Parkway, NW, Boca Raton, Florida 33487, which is a registered agent to do business in the State of Utah.

The lessee has submitted the required \$250.00 lease assignment fee along with the signed and notarized assignment forms.

All other requirements of R850-30-900 have been reviewed. Pursuant to R850-30-900(5)(a), staff reviewed the current lease form. Although the lease form issued in 2001 is still considered generally acceptable and includes provisions for insurance and bonding which will be required of the new lessee, staff and legal counsel determined that the language regarding subleasing rentals should be amended. The amendment will be addressed in a separate action (see items under Fee Waivers). Approval of both the assignment action and the lease amendment action are dependent upon each other.

County: Grand Fund: School

Upon recommendation of Mr. Gary Bagley, the Director approved the assignment of SULA 1294, subject to the concurrent approval of Amendment No. 1 to the lease.

SPECIAL USE LEASE AGREEMENT NO. 1410 (FIVE-YEAR REVIEW)

SULA 1410 is a telecommunications lease issued to Golden State Towers, c/o Crown Castle USA, Inc., 2000 Corporate Drive, Canonsburg, PA 15317. The lease site is located in Rich County. School fund.

1. **ANNUAL BASE RENTAL:**

The five-year lease rental review date for this telecommunication lease is December 1, 2008. The subject property is used for a cellular communication tower and facility on the Bear Lake (Lake Town Mountain) site. The lease agreement provides for periodic increases in the annual base rental amount. Pursuant to the terms of the agreement which only allows for the use of the consumer price index inflationary adjustment to this particular adjustment period, it is recommended that the annual base rental be increased from \$4,000.00 per year to \$4,730.00 per year, effective December 1, 2008. A certified notice was sent to inform the lessee of this action. No response was received; however, the December 1, 2008, payment was made timely prior to the due date.

Note: Any subleasing revenue assessed is in addition to the annual base rental amounts discussed above. The lessee has sublessees on the lease which provide additional rental pursuant to the terms of the lease.

Preliminary Estimate of Land Value: \$110.00 (Based on \$1,000.00 per acre)

New Annual Base Rental Amount: \$4,730.00

Acres in Lease: 0.11 (small lease site)

Rental Amount/Acre: \$43,000.00

The existing communication lease site is considered the highest and best use of a small parcel of this type of land. The difference in the fair market value of the subject parcel and the surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant.

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

3. **ADEQUATE INSURANCE AND BOND COVERAGE:**

Insurance coverage is current and adequate for the lease agreement. The lease provides for a bond. There is currently a cash bond for the site. Staff is reviewing the amount of the bonding and may possibly increase the bonding amount in 2009.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights associated with this lease.

5. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

6. **NEXT REVIEW DATE:**

The next review date will be December 1, 2013.

Upon recommendation of Mr. Gary Bagley, the Director approved the five-year review for SULA 1410.

SALES

PRE SALE NO. 8297, CERTIFICATE OF SALE NO. 26430 (REFUND)

Richfield City Corporation, 75 East Center, Richfield, UT 84701, purchased property under Pre Sale No. 8297, Certificate of Sale No. 26430. At the time of closing (June 26, 2007), Richfield City paid a \$100.00 application fee and advertising costs in the amount of \$178.20. It was recently discovered that Richfield City also paid the \$100.00 application fee and a \$200.00 advertising deposit on March 31, 2006. **The \$300.00 overpayment should be refunded to Richfield City.** Sevier County. School Fund.

Upon recommendation of Ms. Diane Durrant, the Director ordered **a refund in the amount of \$300.00 be sent to Richfield City Corporation.**

TIMBER SALES

TIMBER SALE NO. 844 (COMPOUND ASPEN SALE)

LEGAL DESCRIPTION:

T27S, R25E, SLB&M

Sections 22, 23, 26, 27, 34, and 35: within

COUNTY: San Juan

ACRES: 74.00

FUND: University

RELEVANT FACTUAL BACKGROUND:

1. REASONS FOR PROPOSED SALE:

The existing aspen stands within the sale area are 40% dead. This is attributed to maturity and Poplar Beetle infestation. The aspen stands will continue to decline without proper disturbance to promote regeneration. An estimated 5,535 tons of sawtimber/excelsior in four separate units will be removed. A one-cut shelterwood method and a scarification method will be used to promote natural regeneration in each stand.

This sale will be offered as partial fulfillment of the 1 million board feet the Agency is obligated to provide annually to Western Excelsior Corporation, P.O. Box 659, Mancos, Colorado 81328, under the terms of the Long Term Agreement (PRED 634).

2. ESTIMATED TOTAL VOLUME:

A line fixed-plot cruise of the aspen stands has been performed and an estimated 5,535 tons of sawtimber/excelsior will be removed. Scribner Form-Class 78 Tables and Conversions of an average of 27 tons per logging truck load and 5,900 net board feet per load were used to prepare the weight estimates.

3. RDCC COMMENTS AND RESPONSE:

The Resource Development Coordination Committee ("RDCC") review was initiated September 24, 2008. No comments were received.

4. PUBLIC COMMENTS AND RESPONSE:

No comments from the public were received.

5. CULTURAL RESOURCE CONSULTATION RESULTS:

A staff archaeologist has reviewed the project and cleared it for cultural resource purposes.

TIMBER SALE NO. 844 (COMPOUND ASPEN SALE) (CONTINUED)**6. ACCESS:**

In conjunction with this sale, three spur roads will be constructed or improved to provide temporary access. The roads will total 1,699 feet in length. Following the completion of the timber sale, all temporary roads will be deconstructed and rehabilitated.

EVALUATION OF FACTS:**1. PRELIMINARY APPRAISAL OF VALUE PER TON AND TOTAL:**

Under the terms of the Long Term Agreement ("LTA"), the sale price will be \$10.50/ton for a maximum total sale price of \$58,117.50 plus administrative fees.

2. PERFORMANCE BOND RECOMMENDATION:

A payment bond in the amount of \$145,603.50 and a performance bond of \$75,000.00 have been submitted for the LTA and will be used for this sale.

3. RECOMMENDED ADMINISTRATIVE REQUIREMENTS:**A. ACCESS, NEW/UPGRADED ROADS:**

Temporary roads will be constructed in accordance with Forest Water Quality Guidelines which will be attached to the timber sale contract. Under standard timber sale contract language, any required maintenance of roads administered by any other entity is the responsibility of the purchaser.

B. SPECIAL PRECAUTIONS/STIPULATIONS:

Standard contract language will be used and will cover all aspects of this activity and no special language/precautions are required.

4. IDENTIFICATION OF POTENTIAL MARKETS:

As this sale is being offered under the LaSal Mountain LTA, there will be no advertising.

Upon recommendation of Mr. Adam Robison, Forester, the Director approved the above described timber sale subject to the terms and conditions indicated. Based on this evaluation, this summary will constitute the record of decision.

DEVELOPMENT ACTIONS

RIGHT OF ENTRY 5257 – CITY OF ST. GEORGE

THE FOLLOWING RIGHT OF ENTRY HAS BEEN EXECUTED:

RIGHT OF ENTRY NO.:	5257
PROJECT:	South Block
PROJECT CODE:	SOBLK 000 00
PROJECT MANAGER:	Brent Bluth
COUNTY:	Washington
FUND:	School
EXPIRATION:	December 8, 2008
ADMINISTRATION FEE:	\$300.00
APPLICATION FEE:	\$50.00

PERMITTEE:

AT ASPHALT PAVING, INC.
1300 East Washington Dam Road
Washington, UT 84780

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration has issued a temporary easement to AT Asphalt Paving, Inc. (the "Permittee") to use as a staging and mobilization area to temporarily stockpile clean fill material and to store construction equipment and machinery. The Permittee is responsible for restoring the right of entry site to its finished pad condition, clean-up of hazardous materials resulting from gas or oil spills or leaks resulting from construction equipment parked on the permitted property, and for repairing any damage to concrete curbs or other improvements on the site upon or before the expiration of this right of entry. Additional supporting information is available in the Planning and Development file.

LEGAL DESCRIPTION:

Township 43 South, Range 15 West, SLB&M
Section 8: Within

BEGINNING AT A POINT LOCATED S 88°46' 42" E ALONG THE SECTION LINE 185.20 FEET AND NORTH 0.70 FEET FROM THE NORTHWEST CORNER OF SECTION 17, TOWNSHIP 43 SOUTH, RANGE 15 WEST; THENCE N 01° 13' 44" E 206.22 FEET TO A POINT ON A 1074.01 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 529.41 FEET THROUGH A CENTRAL ANGLE 28° 14' 34" E TO A NON-TANGENT 92.50 FOOT RADIUS CURVE TO THE RIGHT THE RADIUS OF SAID CURVE BEARS S 60° 31' 42" E; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 37.44 FEET THROUGH A CENTRAL ANGLE OF 23° 11' 17" TO A 107.50 FOOT RADIUS REVERSE CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 36.25 FEET THROUGH A CENTRAL ANGLE OF 19° 19' 20" TO A 1060.51 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 93.07 FEET THROUGH A CENTRAL ANGLE OF 05° 01' 43" TO A 17.50 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 28.71 FEET THROUGH A CENTRAL ANGLE OF 93° 59' 20" TO A 1502.98 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG SAID CURVE A DISTANCE OF 420.94 FEET THROUGH A CENTRAL ANGLE OF 16° 02' 49"; THENCE

RIGHT OF ENTRY 5257 – CITY OF ST. GEORGE (CONTINUED)

S 31° 35' 53" E 415.60 FEET TO A 597.50 FOOT RADIUS CURVE TO THE LEFT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 93.46 FEET THROUGH A CENTRAL ANGLE OF 08° 57' 43" TO A NON-TANGENT 17.50 FOOT RADIUS CURVE TO THE RIGHT THE RADIUS OF SAID CURVE BEARS N 65° 10' 53" W; THENCE ALONG SAID CURVE A DISTANCE OF 8.64 FEET THROUGH A CENTRAL ANGLE OF 28° 18' 05"; THENCE S 53° 07' 14" W 68.82 FEET TO A 359.50 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 239.20 FEET THROUGH A CENTRAL ANGLE OF 38° 07' 22"; THENCE N 88° 45' 24" W 511.56 FEET TO A 17.50 FOOT RADIUS CURVE TO THE RIGHT; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 27.49 FEET THROUGH A CENTRAL ANGLE OF 90° 00' 00" TO THE POINT OF BEGINNING.

Containing 9.27 acres, more or less.

NUMBER OF ACRES BY COUNTY: 9.27 acres - Washington County

NUMBER OF ACRES BY FUND: 9.27 acres – School

Upon recommendation of Andrea L. James, the Director approved and granted ROE 5257.

EASEMENT AGREEMENT (ESMT 1333)

THE FOLLOWING EASEMENT WAS GRANTED TO ST. GEORGE CITY:

PROJECT:	South Block- Meadow Valley
PROJECT CODE:	SOBLK 002 02 001
PROJECT MANAGER:	Brent Bluth
FUND:	Multi – School: 79.47%
	University: 20.53%
TERM:	Perpetual
APPLICATION FEE:	\$750.00

GRANTEE:

ST. GEORGE CITY
175 East 200 North
St. George, Utah 84770

DESCRIPTION OF TRANSACTION:

This Easement was granted to St. George City ("Grantee") for the right to construct, operate, repair, and maintain a water tank (the "Tank"); additionally, Grantee has the right to stage construction equipment and supplies to the southeast of the Tank easement (ESMT 1333), which will generally be known as the "Staging Area" for a term of six months from the execution date of the Tank easement (ESMT 1333). The Grantee shall pay for its own costs and expenses in connection with the construction, operation, repair, replacement, and maintenance of the Tank.

The purpose of the Tank is to store/supply water for the new airport and the Trust Lands' property surrounding it, and the Tank will make such water supply available for the future development of the surrounding trust lands. Providing this easement, along with the other connecting water line easements, free of charge other than the application fee, will become the Trust Lands' participation for water costs, which will be necessary for future development. The term of this Tank easement (ESMT 1333) shall be perpetual, and shall continue until the Tank is no longer necessary, no longer in service, or rendered useless due to lack of proper maintenance. Additional supporting information is available in the Planning and Development file.

EASEMENT AGREEMENT (ESMT 1333) (CONTINUED)**LEGAL DESCRIPTION:**

Township 43 South, Range 15 West, SLB&M
Section 15: (Within)

Commencing at the West ¼ Corner of Section 15, Township 43 South, Range 15 West, Salt Lake Base and Meridian; Thence South 88°44'13" East, along the Section line, a distance of 3601.00 feet; Thence South, a distance of 31.27 feet, to the Point of Beginning; Thence North 54°43'39" East, a distance of 183.43 feet; Thence North 71°12'19" East, a distance of 35.26 feet; Thence South 66°04'40" East, a distance of 121.50 feet; Thence South 13°36'57" West, a distance of 35.03 feet; Thence South 30°04'23" West, a distance of 83.38 feet; Thence South 58°35'38" West, a distance of 190.60 feet; Thence North 30°39'07" West, a distance of 159.84 feet, to the Point of Beginning.

Contains 0.95 acres, more or less.

NUMBER OF ACRES BY COUNTY: 0.95 acres – Washington County

NUMBER OF ACRES BY FUND: 0.95 acres – Multi

Upon recommendation of Andrea L. James, the Director approved and granted Easement No. 1333.

EASEMENT AGREEMENT (ESMT 1454)

THE FOLLOWING EASEMENT WAS GRANTED TO ST. GEORGE CITY:

PROJECT:	South Block- Meadow Valley
PROJECT CODE:	SOBLK 002 02 001
PROJECT MANAGER:	Brent Bluth
FUND:	Multi – School: 79.47%
	University: 20.53%
TERM:	25 Years
APPLICATION FEE:	\$750.00

GRANTEE:

ST. GEORGE CITY
175 East 200 North
St. George, Utah 84770

DESCRIPTION OF TRANSACTION:

This Easement was granted to St. George City ("Grantee") for the right to construct, operate, repair, and maintain a 25 foot wide water line (the "Water Line"). The purpose of the Water Line is to bring water to the Meadow Valley farms water tank, which will store/supply water for Trust Lands' property near the new airport and will make such water supply available for the Trust Lands use when developing South Block lands in the future.

The Grantee shall pay for its own costs and expenses in connection with the construction, operation, repair, replacement, and maintenance of the Water Line. Additionally, the Grantee will build and maintain, at its expense, an access road (the "Access Road") to the water tank (ESMT 1333) on the easement lands, which Grantee agrees to place sufficient road base to allow maintenance vehicles easy access to and from the water tank (ESMT 1333).

EASEMENT AGREEMENT (ESMT 1454) (CONTINUED)

Providing this easement, along with the other connecting water line easements and the water tank easement, free of charge other than the application fee, will become the Trust Lands' participation for water costs, which will be necessary for future development. The term of this easement is for 25 years, and shall continue until the Water Line and Access Road are no longer necessary, no longer in service, or rendered useless due to lack of proper maintenance. Additional supporting information is available in the Planning and Development file.

LEGAL DESCRIPTION:

Township 43 South, Range 15 West, SLB&M
Section 15: (Within)

A 25.00 foot wide permanent water line easement 12.50 feet each side, together with a 50.00 foot wide temporary construction easement, 25.00 feet each side of the following described centerline:

Commencing at the West ¼ Corner of Section 15, Township 43 South, Range 15 West, Salt Lake Base and Meridian; Thence South 88°44'13" East, along the Section line, a distance of 4396.69 feet; Thence South, a distance of 27.14 feet, to the Point of Beginning; Thence South 37°18'21" West, a distance of 298.19 feet; Thence North 40°13'52" West, a distance of 222.54 feet, to the point of curvature of a 100.00 foot radius curve to the left, thence northwesterly along the arc of said curve a distance of 22.58 feet, through a central angle of 12°56'07"; Thence North 53°10'00" West, a distance of 36.89 feet, to the point of curvature of a 100.00 foot radius curve to the left, thence northwesterly along the arc of said curve a distance of 34.78 feet, through a central angle of 19°55'30"; Thence North 73°05'30" West, a distance of 81.60 feet to the point of curvature of a 100.00 foot radius curve to the right, thence northwesterly along the arc of said curve a distance of 12.28 feet, through a central angle of 07°02'10"; Thence North 66°03'20" West, a distance of 55.75 feet, to the Point of Terminus.

Contains 0.44 acres, more or less.

NUMBER OF ACRES BY COUNTY: 0.44 acres – Washington County

NUMBER OF ACRES BY FUND: 0.44 acres – Multi

Upon recommendation of Andrea L. James, the Director approved and granted Easement No. 1454.

ACTIONS CONTAINING FEE WAIVERS

EASEMENT NO. 850 - AMENDMENT NO. 1 (APPROVAL)

GRANTEE'S NAME AND ADDRESS:

PacifiCorp, DBA Rocky Mountain Power
 Right of Way Services
 1407 West North Temple, Suite 110
 Salt Lake City, Utah 84116

LEGAL DESCRIPTION:

A forty (40) foot wide easement for a 12.5 kV power transmission line across the following parcels herein described:

Township 1 North, Range 8 West, SLB&M
 Section 31: SE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

The existing transmission line begins on the west line of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 31, T1N, R8W, SLB&M, approximately 275 feet north of the one-sixteenth corner on the south line of said Section 31; thence S 51°02' E 445 feet; more or less, to the south line of said SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ and being in the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 31.

Contains 0.41 of an acre.

Township 1 South, Range 8 West, SLB&M
 Section 5: Lots 3 & 4, SE $\frac{1}{4}$ NE $\frac{1}{4}$ (within)

The existing transmission line begins on the west line of Lot 4 of Section 5, T1S, R8W, SLB&M, approximately 650 feet south of the northwest corner of said Section 5; thence S 59°10' E 569.5 feet, more or less; thence S 79°01' E 2,196.5 feet, more or less, to the south line of Lot 3 of said Section 5, said south line being 20 feet west of the north-south one-quarter section line and being in said Lots 3 and 4.

This existing tap line begins at a point in the above described transmission line 20 feet west and 638 feet N 79°01' W from the southeast corner of Lot 3, T1S, R8W, SLB&M; thence S 32°43' W 144 feet, more or less, to the south line of said Lot 3 and being in Lot 3.

The existing transmission line begins on the east line of Section 5, T1S, R8W, SLB&M, approximately 809 feet north along the section line from the east one quarter corner of said Section 5; thence N 79°01' W 1,345 feet, more or less, to the west line of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said section and being in the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 5.

Contains 3.91 acres.

COUNTY: Tooele

Acres: 4.32

FUND: School

EASEMENT NO. 850 - AMENDMENT NO. 1 (APPROVAL) (CONTINUED)**PROPOSED ACTION:**

It is proposed that Easement No. 850 be amended in order to correct some problems with the legal description as written in the original easement document. Easement No. 850 was issued effective January 1, 2003, to replace the expired Bureau of Land Management ("BLM") Right of Way UTU-007965. Administration of BLM UTU-007965 was transferred to the Trust Lands Administration as a result of the West Desert Exchange in 2001. When Easement No. 850 was issued, the legal description for a portion of the power line was inadvertently omitted. Furthermore, in the time since Easement No. 850 was issued, two other segments of the power line have been removed by the Grantee. Therefore, it is proposed that Easement No. 850 be amended in order to correct the legal description so that it reflects the power line as currently in existence on the ground. The amended easement corridor is 4,700 feet long and 40 feet wide, containing 4.32 acres. As a result of this amendment, the amount of land encumbered by the easement will be reduced by 1.86 acres. The term of the easement remains 30 years, with the expiration date being December 31, 2032.

This easement amendment is an Agency-initiated action; therefore, it is proposed that the \$400.00 amendment fee be waived.

RELEVANT FACTUAL BACKGROUND:

Easement No. 850 was issued effective January 1, 2003, for the purpose to operate, repair, and maintain an existing 12.5 kV power line. The easement was issued for a term of 30 years, expiring on December 31, 2032. The power line was originally authorized by the BLM under BLM Right of Way UTU-007965. As a result of the West Desert Land Exchange in 2001, administration of UTU-007965 was transferred to the Trust Lands Administration. UTU-007965 expired on December 31, 2002, and Easement No. 850 was subsequently issued to replace the expired BLM right of way grant.

This action is exempt from review by the Resource Development Coordinating Committee ("RDCC") because it is an amendment to an existing document with no expansion of acreage or change in primary use.

Since the amendment involves no new ground disturbance outside of the amended easement corridor, a cultural resource survey was not required.

EVALUATION OF FACTS:

1. The proposed easement amendment is located entirely on trust lands; however, the power line that is authorized by the easement crosses through other lands not owned by the Trust Lands Administration.
2. The term of the easement will not be affected and remains 30 years from the effective date of the original easement.
3. Since this is an Agency-initiated action, the \$400.00 amendment fee required pursuant to R850-4-200 has been waived.
4. The proposed easement amendment will not have an unreasonably adverse affect on the developability or marketability of the subject property.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 850 - Amendment No. 1. Since this amendment is an Agency-initiated action, the \$400.00 amendment fee has been waived.

SPECIAL USE LEASE AGREEMENT NO. 1292 – AMENDMENT NO. 1 (APPROVAL)

This recommended amendment is part of the approval process for the assignment of the above-referenced lease from NTCH-Colorado, Inc., DBA Clear Talk, 1600 Ute Avenue, Suite 10, Grand Junction Colorado 81501, to SBA Towers II, LLC, a Florida Limited Liability Company, 5900 Broken Sound Parkway, NW, Boca Raton, Florida 33487.

The Trust Lands Administration shall waive the standard lease amendment fee of \$400.00 because the amendment was not requested by the lessee, but rather required by the Trust Lands Administration as part of the assignment approval to adopt the most current lease form as set forth in R850-30-900(5)(a). The assignee is satisfactory to the Agency pursuant to R850-30-900(5)(b) and is anticipated to be a very good future lessee which has the ability to attract sublessees to the site and increase revenue to the Trust Lands' Beneficiaries as cellular communication and data coverage increases along the Interstate 70 corridor in Grand County.

As part of the assignment process, the lessee is required to accept the current lease form. While reviewing the above-referenced proposal to assign the lease, staff and legal counsel determined that the current lease form was acceptable but would need to be amended to include current language regarding updated subleasing rental revenue amounts to be paid to the Trust Lands Administration. Special use leases may be amended pursuant to R850-30-1000. Therefore, in lieu of entering into the most current lease form, the Agency and the lessee have agreed to amend the lease as a condition of approval of the assignment.

After a review of the lease and lease site, and discussion with both Clear Talk and SBA, staff is also recommending a term extension for this lease. The lessee requested that the lease term be amended to have a slightly longer term in order to attract more sublessees on the site. The lease was originally issued in 2001 with a 30-year lease term, beginning May 1, 2001, and expiring April 30, 2031. It is proposed that the lease term be extended an additional six years, with the new expiration date being April 30, 2037. Staff has determined that this extension is in the best interest of the Beneficiary and may be necessary to increase tenants and associated revenue on the site.

The lease shall be amended as follows:

Lease term: The lease expiration date of April 30, 2031, shall be extended to April 30, 2037. The term shall still be less than 30 years from the date of this approval.

Sublease Revenue Paragraph: The existing Paragraph 2b of the lease is to be deleted in its entirety and replaced with the following actual language:

b. Sublessee Rental. In addition to the annual base rental, which includes rent for one Sublessee as described in Paragraph 2a, the Lessor shall receive 25% of the gross sublease revenue for the second through the fourth Sublessees. For purposes of this agreement, the gross sublease revenue received shall mean the actual compensation received by the Lessee from the second through fourth Sublessees presently occupying the subject property or any other Sublessee that may co-locate pursuant to Paragraph 1a of this Lease, or any other affiliated entity, on the basis of U.S. dollars, including all rental payments received plus the value of all services, payments in kind, and all other compensation whether monetary or non-monetary, received by Lessee from Sublessees (sub-tenants) for use of the tower site on the subject property. Effective May 1, 2009, sublease rental payments due under this provision shall be due annually anytime during any particular lease year, but in no event may the Sublease Rental be submitted later than April 30 of the lease year for which payment is being submitted. Sublease rental payments are subject to regulations governing late fees and penalties found in the Utah Administrative Code R850-5 et seq.

Amendment of both of the above-referenced items is anticipated to result in an increase in subleasing revenue over the lease term. Staff believes it will also help the lessee attract the most clients and retain those already on the site.

SPECIAL USE LEASE AGREEMENT NO. 1292 – AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

The lease is currently in good standing and there is insurance coverage and bonding (cash bond) on the site. County: Grand. Fund: School. The site is also referenced internally by the lessee as Harley Dome Site UT – 2501 and SBA Site # UT10473-A.

Upon recommendation of Mr. Gary Bagley, the Director approved Amendment No. 1 to SULA 1292, subject to the concurrent approval of the assignment of the lease. Since this amendment is an Agency-initiated action, the \$400.00 amendment fee has been waived.

SPECIAL USE LEASE AGREEMENT NO. 1293 – AMENDMENT NO. 1 (APPROVAL)

This recommended amendment is part of the approval process for the assignment of the above-referenced lease from NTCH-Colorado, Inc., DBA Clear Talk, 1600 Ute Avenue, Suite 10, Grand Junction Colorado 81501 to SBA Towers II, LLC, a Florida Limited Liability Company, 5900 Broken Sound Parkway, NW, Boca Raton, Florida 33487.

The Trust Lands Administration shall waive the standard lease amendment fee of \$400.00 because the amendment was not requested by the lessee, but rather required by the Trust Lands Administration as part of the assignment approval to adopt the most current lease form as set forth in R850-30-900(5)(a). The assignee is satisfactory to the Agency pursuant to R850-30-900(5)(b) and is anticipated to be a very good future lessee which has the ability to attract sublessees to the site and increase revenue to the Trust Lands' Beneficiaries as cellular communication and data coverage increases along the Interstate 70 corridor in Grand County.

As part of the assignment process, the lessee is required to accept the current lease form. While reviewing the above-referenced proposal to assign the lease, staff and legal counsel determined that the current lease form was acceptable but would need to be amended to include current language regarding updated subleasing rental revenue amounts to be paid to the Trust Lands Administration. Special use leases may be amended pursuant to R850-30-1000. Therefore, in lieu of entering into the most current lease form, the Agency and the lessee have agreed to amend the lease as a condition of approval of the assignment.

After a review of the lease and lease site, and discussion with both Clear Talk and SBA, staff is also recommending a term extension for this lease. The lessee requested that the lease term be amended to have a slightly longer term in order to attract more sublessees on the site. The lease was originally issued in 2001 with a 30-year lease term, beginning May 1, 2001, and expiring April 30, 2031. It is proposed that the lease term be extended an additional six years, with the new expiration date being April 30, 2037. Staff has determined that this extension is in the best interest of the Beneficiary and may be necessary to increase tenants and associated revenue on the site.

The lease shall be amended as follows:

Lease term: The lease expiration date of April 30, 2031, shall be extended to April 30, 2037. The term shall still be less than 30 years from the date of this approval.

Sublease Revenue Paragraph: The existing Paragraph 2b of the lease is to be deleted in its entirety and replaced with the following actual language:

b. Sublessee Rental. In addition to the annual base rental, which includes rent for one Sublessee as described in Paragraph 2a, the Lessor shall receive 25% of the gross sublease revenue for the second through the fourth Sublessees. For purposes of this agreement, the gross sublease revenue received shall mean the actual compensation received by the Lessee from the second through fourth Sublessees presently occupying the subject property or any other Sublessee that may co-locate pursuant to Paragraph 1a of this Lease, or any other affiliated

SPECIAL USE LEASE AGREEMENT NO. 1293 – AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

entity, on the basis of U.S. dollars, including all rental payments received plus the value of all services, payments in kind, and all other compensation whether monetary or non-monetary, received by Lessee from Sublessees (subtenants) for use of the tower site on the subject property. Effective May 1, 2009, sublease rental payments due under this provision shall be due annually anytime during any particular lease year, but in no event may the Sublease Rental be submitted later than April 30 of the lease year for which payment is being submitted. Sublease rental payments are subject to regulations governing late fees and penalties found in the Utah Administrative Code R850-5 et seq.

Amendment of both of the above-referenced items is anticipated to result in an increase in subleasing revenue over the lease term. Staff believes it will also help the lessee attract the most clients and retain those already on the site.

The lease is currently in good standing and there is insurance coverage and bonding (cash bond) on the site. County: Grand. Fund: School. The site is also referenced internally by the lessee as Exit 202 UT-2503 and SBA Site #10469-A.

Upon recommendation of Mr. Gary Bagley, the Director approved Amendment No. 1 to SULA 1293, subject to the concurrent approval of the assignment of the lease. Since this amendment is an Agency-initiated action, the \$400.00 amendment fee has been waived.

SPECIAL USE LEASE AGREEMENT NO. 1294 – AMENDMENT NO. 1 (APPROVAL)

This recommended amendment is part of the approval process for the assignment of the above-referenced lease from NTCH-Colorado, Inc., DBA Clear Talk, 1600 Ute Avenue, Suite 10, Grand Junction Colorado 81501 to SBA Towers II, LLC, a Florida Limited Liability Company, 5900 Broken Sound Parkway, NW, Boca Raton, Florida 33487.

The Trust Lands Administration shall waive the standard lease amendment fee of \$400.00 because the amendment was not requested by the lessee, but rather required by the Trust Lands Administration as part of the assignment approval to adopt the most current lease form as set forth in R850-30-900(5)(a). The assignee is satisfactory to the Agency pursuant to R850-30-900(5)(b) and is anticipated to be a very good future lessee which has the ability to attract sublessees to the site and increase revenue to the Trust Lands' Beneficiaries as cellular communication and data coverage increases along the Interstate 70 corridor in Grand County.

As part of the assignment process, the lessee is required to accept the current lease form. While reviewing the above-referenced proposal to assign the lease, staff and legal counsel determined that the current lease form was acceptable but would need to be amended to include current language regarding updated subleasing rental revenue amounts to be paid to the Trust Lands Administration. Special use leases may be amended pursuant to R850-30-1000. Therefore, in lieu of entering into the most current lease form, the Agency and the lessee have agreed to amend the lease as a condition of approval of the assignment.

After a review of the lease and lease site, and discussion with both Clear Talk and SBA, staff is also recommending a term extension for this lease. The lessee requested that the lease term be amended to have a slightly longer term in order to attract more sublessees on the site. The lease was originally issued in 2001 with a 30-year lease term, beginning May 1, 2001, and expiring April 30, 2031. It is proposed that the lease term be extended an additional six years, with the new expiration date being April 30, 2037. Staff has determined that this extension is in the best interest of the Beneficiary and may be necessary to increase tenants and associated revenue on the site.

The lease shall be amended as follows:

Lease term: The lease expiration date of April 30, 2031, shall be extended to April 30, 2037. The term shall still be less than 30 years from the date of this approval.

SPECIAL USE LEASE AGREEMENT NO. 1294 – AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

Sublease Revenue Paragraph: The existing Paragraph 2b of the lease is to be deleted in its entirety and replaced with the following actual language:

b. Sublessee Rental. In addition to the annual base rental, which includes rent for one Sublessee as described in Paragraph 2a, the Lessor shall receive 25% of the gross sublease revenue for the second through the fourth Sublessees. For purposes of this agreement, the gross sublease revenue received shall mean the actual compensation received by the Lessee from the second through fourth Sublessees presently occupying the subject property or any other Sublessee that may co-locate pursuant to Paragraph 1a of this Lease, or any other affiliated entity, on the basis of U.S. dollars, including all rental payments received plus the value of all services, payments in kind, and all other compensation whether monetary or non-monetary, received by Lessee from sublessees (subtenants) for use of the tower site on the subject property. Effective May 1, 2009, sublease rental payments due under this provision shall be due annually anytime during any particular lease year, but in no event may the Sublease Rental be submitted later than April 30 of the lease year for which payment is being submitted. Sublease rental payments are subject to regulations governing late fees and penalties found in the Utah Administrative Code R850-5 et seq.

Amendment of both of the above-referenced items is anticipated to result in an increase in subleasing revenue over the lease term. Staff believes it will also help the lessee attract the most clients and retain those already on the site.

The lease is currently in good standing and there is insurance coverage and bonding (cash bond) on the site. County: Grand. Fund: School. The site is also referenced internally by the lessee as the "Solitude Wash Site UT-2505 and SBA Site #10491-A.

Upon recommendation of Mr. Gary Bagley, the Director approved Amendment No. 1 to SULA 1294, subject to the concurrent approval of the assignment of the lease. Since this amendment is an Agency-initiated action, the \$400.00 amendment fee has been waived.

TRUST ACCOUNTING ACTIONS

CANCELED MINERAL LEASE CONTRACTS

The following mineral leases were not paid on or before the cancellation date of 11/10/2008. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 27913	Mountain Oil, Inc.	SCH	DUCH	OGH
ML 50065	South American Minerals, Inc.	SCH	SANJ	MM
ML 50066	South American Minerals, Inc.	SCH	SANJ	MM
ML 50067	South American Minerals, Inc.	SCH	SANJ	MM
ML 50068	South American Minerals, Inc.	SCH	SANJ	MM
ML 50069	South American Minerals, Inc.	SCH	SANJ	MM
ML 50070	South American Minerals, Inc.	SCH	SANJ	MM

CANCELED MINERAL LEASE CONTRACTS (CONTINUED)

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 50071-OBA	Burningham Enterprises, Inc.	MULT	GARF	LS(SP)
ML 51065	Anasazi Gold Reserves	SCH	IRON	MM
ML 51068	Morgan Gas & Oil	SCH	SANJ	MM
ML 51069	Morgan Gas & Oil	SCH	SANJ	MM
ML 51070	Morgan Gas & Oil	SCH	SANJ	MM
ML 51071	Morgan Gas & Oil	SCH	SANJ	MM
ML 51072	Morgan Gas & Oil	SCH	SANJ	MM
ML 51073	Morgan Gas & Oil	SCH	SANJ	MM
ML 51074	Morgan Gas & Oil	SCH	SANJ	MM
ML 51075	Morgan Gas & Oil	SCH	SANJ	MM
ML 51076	Morgan Gas & Oil	SCH	SANJ	MM
ML 51077	Morgan Gas & Oil	SCH	SANJ	MM
ML 51078	Morgan Gas & Oil	SCH	SANJ	MM
ML 51079	Morgan Gas & Oil	SCH	SANJ	MM
ML 51080	Morgan Gas & Oil	SCH	SANJ	MM
ML 51081	Morgan Gas & Oil	SCH	SANJ	MM
ML 51082	Morgan Gas & Oil	SCH	SANJ	MM
ML 51089	Wave Uranium Holding Inc.	SCH	GRND	MM

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed mineral leases for non-payment.

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	4.0%
ONE YEAR AGO:	7.5%